Preserve

pp F IX 4

Previous References

1928 (Vol. -)

File No 224-28

Serial Nos 1 to 4

Later References

General and Revenue Secretariat

Serial Nos Four

Part B for July 1930

SUBJECT

Report on the audit of the accounts of the Bangalore City Municipality for the year 1926-27

4) L 325-6 28/11/30

To The MC Comr Thro' the President Bangalore City mc Comptroller to Govt

Records with certain observations

(1)

App F III—2]

General and Revenue Secretariat | Genl File No 224 | of 1928

Serial No

DEWAN'S OFFICE
30 MAR 1929
No. 6790

Letter No 426 L A D from the Comptroller forwarding the first Annual Audit report on the Accounts of the Bangalore city municipality for the year 1926-27 prepared on the lines adopted for the municipal corporation of madras

1) The report discloses certain material irregularities in supervision and maintenance of accounts in the municipality which have ~~been detected~~ persisted and an account of this, the finances of the municipal Council have much suffered

2) If approved, ~~the~~ a copy of the report will be sent to the President for taking suitable action on each of the irregularities pointed out and report the action taken by him

Ch 7/3 KG

CSP 7 3 29

3) Chief Sec)

4) ~~illegible~~

5) Second Member 15/3 23

6) Dewan 7) Yes

8) 30/3/29

9) Secy to Govt 1.4.29

OFFICE OF THE SECRETARY TO GOVERNMENT
18 MAR 1929
No 6902

11 MAR 192

NOTE—Contn sheet

WD 02 —SFB— 30 000—21 8 28

Serial No

(1)

Drafts submitted

Ch 1/4 Rs 2/4 (2) [illegible]

Rs 6633-8/6 4/4 3/4

To the Pres Dun mes P agaln

Inwd for necessary actn & Rtn

GEN & REVN SECTT 19 APR 1929 L S

From The Municipal Commissioner Thro' The President Bangalore

No 9 to 126/29-30 dt 21/28 12-29

Returns the Audit Report with the replies noted against each Case of objection

(2) Many of the points required to be dealt with in the audit report have not been properly and satisfactorily explained Please see items nos I to XXI marked in the report The Mr Comr states that instructions have been issued to all the Depts concerned to be more careful in future and avoid such objections and he adds that the system of pre-audit now in force greatly minimises the objections It is not clear

NOTE—Contn sl eet

3464

App F III—2]

...eriat File No 224 of 192 8

Serial No

of the action taken by the Mt Comm is sufficient The defects pointed out are in some cases very important and appear to require consideration by the Mount comm & The explanations recorded may perhaps also be sent to the Compton for his remarks and suggestions as to what further steps should be taken to put a stop to the recurrence of the irregularities of the kind noted in the report

13) The more serious irregularities on which prompt action is necessary are the following

What is the loan (bottom page) done to Govt by Bhore city mcp 2 1) on account of water supply 11 11) Repairs 111) Others top 2 pages 1/8/1941

I Prompt execution of decrees

II Proper preservation of bonds taken from ~~Eng~~ contractors

III Proper Supervision of the cattle pound establishment

IV Maintenance of a comp property register

V Preparation of a list of land acquisition cases

VI ~~Non~~ Even distribution of expenditure on Public works

VII Verification of Stock

VIII Disposal of pending audit objections and objections

UNOFFICIAL SECRET Sheet

20 JAN 1

WD 066—GPB—80,000—26 7 29

1b/1 30 14 Ch Rly)

20/1871

General and Revenue Secretariat | File No Rel 224 of 1928

Serial No

O No 87/29 30
Dy 25th Jany 1930

COMPTROLLER'S OFFICE
LAD
25 JAN 1930
380 8h
BANGALORE

22 0 14 — Rf 27/1/30

1a) 27/1/30

15) Forwarded with compliments to the Comptroller for perusal of the Municipal Commissioner's explanations and further comment

25/1

Sd/- S. Ramachandra Ayyar
Offg Secy
MS

No 971/LAD Dated 4th June 1930
10 ms

U O 537/8pe
12 6 30

1b) 1 Returned with compliments

2 The replies furnished by the Municipal Commissioner to the several objections noted in the accompanying report were gone through and further observations made thereon are noted against each of them The replies furnished are very general in character and do not satisfy the audit objections in most of the cases No replies are furnished against some of the ~~observations~~ objections raised, vide paras 18,19,22, & 31, etc

3 The important items on which suitable explanations have not been furnished or adequate action is not taken to remedy the defects pointed out in the audit report are

1 Non-maintenance of a proper property register including the properties acquired by the Municipality with full details ~~and~~ fruitful results are likely to follow if the incomplete register maintained for lands acquired prior to 1923 is

Note—Contn Sheet

Serial No

is completed and compared with the register maintained for the subsequent periods The one effect of not maintaining such a register is that there is every likelihood of the Municipality being made liable to acquire the properties already acquired vide para 13 besides giving room for parties to put in applications for the construction of buildings in the acquired plots as in the case of Messrs Sahib Khan & others ~~for~~ plots behind the Metal Factory

2 Not taking timely action regarding the execution of decrees and realisation of the decree amounts, vide para 6 A and 8

3 Failing to deposit the compensation amounts in time in civil court on account of awards passed by the Land Acquisition Officer and payment of interest in consequence thereof The Land Acquisition ~~Act~~ Regulation enforces the personal responsibility of the officer who failed to deposit the amounts in time whenever ~~the Municipality~~ such interest charges are ordered to be paid by the Court, vide para 13 A

4 Entrusting heavy contracts to persons without enquiring into their solvency or property qualifications and the loss sustained by the Municipality in consequence In this connection copy of the note put up by the Revenue Manager regarding the solvency of the contractors is enclosed herein for the information of Government, vide para 61

NOTE—Contn sheet

General and Revenue Secretariat | File No | of 192

Serial No

5 Heavy liabilities still remaining to be discharged by the Municipality on account of Land acquisition cases pending disposal in Civil courts As per list of cases pending disposal in Civil Courts, the compensation awarded in the above cases works up to Rs 1,48,914-5-6 against Rs 5,77,074-5-11, claimed by the parties, vide para 13A

6 Non-verification of stock and tools and plant held in Municipal stores yearly to find out the exact loss sustained on this account, vide para 28

7 Incurring heavy expenditure during the last month of the year in order to avoid the lapse of Budget grant and to avoid the necessity of re-providing for it in the next year's Budget Vide para 26

8 Inadequate action taken for the disposal of the pending Audit Notes and objection statements pertaining to the year 1921 and onwards rendering the results of audit in-effective, vide para 30

9 Making alterations in the original measurements recorded by the superior officers and tearing off the pages of the measurements in Measurement Books vide paras 18 & 22.

10 Abnormal delay extending in some cases to 8 years in settling the claims of contractors even though they served lawyers' notices to the Municipality

11 Incurring expenditure on the construction of buildings which were pulled down within a short period , vide para 25.

12 Replying that all the outstandings are recovered when heavy amounts are still pending

m Sheet

WD 01714—GPB 30 000—18-4 28

3

Serial No

perdin recovery Regarding the sites sold in Vis- /esvaraburam Extension and near Narasimharajendra road very heavy amounts are still pendin recovery The re_isters maintain d for this pur ose do not clearly sho which amount is recovered and which ~~xxxx~~ amount still remains to be recovered The postings made in these registers are very incomplete, vide para 6A

13 Effectin no agreement between the totals of the several deposit registers and the balance shown under deposit account in the monthly cash account and also between the Shanbhogue's baki patties and the personal ledgers of the Patnedars vide para 7

14 Incurrin considerable expenditure in excess of the Revenue earned on a self supporting scheme viz , Visvesvaraiah Exhibition

15 ~~Failure~~ for leaving to take possession of the properties acquired and paid for about 6 or 7 years ago and allowing the occupant to continue in adverse position

16 Existence of heavy arrears under revenue heads vide paras 6 and 6A

17 Depletion — of opening balance, vide para 3

S Shamanna
Comptroller 10/6

S S

W.D. 01684—GPB—30,000—30.4.39

M E M O

Subject REMISSION of the irrecoverable arrears of the Miscellaneous items of Revenue amounting to Rs 8 878-10-0

~~Vide Flag A~~

Case Nos

1 In this case a sum of Rs 952-14-4 is due from one Mr Paja Ahamed on account of Toll contract for the year 1906-07 The case seems to have been referred to the Municipal Advocate for needful action The Advocate reports that decree could not be executed since the case in question was over 12 ears The Members of the Managing Committee require some further details and explanation before they can recommend this case to be written off It is found that though the Contractor is solvent no action was taken against him in time This is very regrettable At this distance of time it is not possible to give any explanation as to how the arrears were allowed to accumulate and why legal steps were not taken in time

2 and 3 The amounts outstanding in these two cases are P 341-10-0 and P 414/- being the arrears of Manure and Slaughter house contracts respectively for 1912-13 The names of parties are not known and the Municipal Advocate is of opinion that no suit need be filed The Members of the Managing Committee recommend that the item have necessarily to be written off It is not possible to offer an explantion as to why and how the e amounts were allowed to lapse as can be seen from the records

4 and 5 A sum of P 78/- and Rs 42/- is outstanding against Messrs Mohadin Ali Khan and Munisamappa respectively for the ear 1912-13 on account of Pasture Contract The Municipal Advocate is of opinion that no suit need be filed The Managing Committee record their opinion that the amounts may be written off as the parties are not identifiable

6 One Narayana Raju owed a sum of P 901-8-0 on account of Manure Contract for the year 1913-14 Legal steps were instituted by the Municipal Advocate against the defaulters When the suit was under execution the party died and the Municipal Advocate is of opinion that there is no chance of getting the amount The Members of the Managing COMMITTEE require to know whether the party has left an property behind him The whereabouts of the property of the deceased if any are not traceable from the records

7 A sum of P 325-4-0 being the arrears of Sewage farm contract for 1914-15 is due by one Mr T Panga Rao The Municipal Advocate file asuit against the defaulter and the party was declared to be insolvent as reported by the Advocate

8 Mr Syed Abdul Khader owed a sum of Rs 686/- being the arrear of Slaughter House Contract for 1913-14 The Municipal Advocate filed a suit against the gentlemen and the suit is reported to have been withdrawn The Managing Committee are of opinion that the amount may be written off as there seems to be no possibility of recovering the dues

9 A sum of P 36/- is shown as arrears due by one R Subba Rao as the Ground rent for 1913-14 The demand appears to have been wrongly shown against the party The Municipal Advocate says that no suit need be filed The Members of the Managing Committee opined that the amount ought to have been written off long ago

10 P 20/- being the arrears of Manure Contract prior to 1913-14 is due from one Munisiddamma The Municipal Advocate says that no suit need be filed The members of the Managing Committee gave their opinion that the amount may be written off

11 One Govinda Rao owes a sum of Rs 15/- towards Ground rent for 1916-17 This is reported to be an excessive demand The Municipal Advocate is of opinion that no suit need be filed The Members of the Managing Committee recommend the amount to be writen off

12 The amount involved in this case is Rs 1,101-4-0 due by one Nanjunda Sastry on account of Manure Contract for 1918-19 The Municipal Advocate took legal steps against the defaulter and while executing the suit he says that it was withdrawn as the party is said, to have applied for insolvency The Members of the Managing Committee require an authoritative declaration in the matter of the part being insolvent

13 A sum of P 445/- being the arrears of Manure contract for 1918-19 is due from P V Anantha Pai The Municipal Advocate filed a suit against the defaulter but it was dismissed with costs

14 A sum of P 400/- being the arrears of Manure contract for 1918-19 is due from one Chenngerra Paju The Municipal Advocate filed a suit but it was withdrawn

15 One Jamedar Nagappa is a defaulter in not paying a sum of R 1 163-15-0 being the arrears of Manure contract for 1918-19 The Municipal Advocate filed a suit but this was likewise withdrawn

16 A sum of Rs 302-5-4 is due from one Sarkki Gopaliah for the arrears of manure contract of 1918-19 The Municipal Advocate filed a suit but it was dismissed

In the above 4 cases Nos 13 to 16 the Members of the Managing Committee desire to know whether any appeals wer preferred challenging the legality or otherwise of the original courts The Municipal Advocate may kindly be asked to explain in the aforesaid 4 cases

17 One B H Venkataramanappa owes a sum of P 100/- on account of Manure contract for 1918-19

18 A sum of P 70-8-0 being the arrears of Manure contract is due from one Krishna Pa u

19 One S Nagappa owes P 70/- being the arrears of Manure Contra for 1920-21

20 One Kasi Rangappa owes Ps 24/- being the arrears of Manure Contract for 1920-21

21 One Ramiah Peddi owes a sum of P 700/- being the arrears of Manure contract for 1920-21

22 A sum of Ps 453-5-4 being the arrears of Manure contract for 1920-21 is due from one Patel Lankappa

In the above cases from Nos 17 to 22 the Muncipal Advocate reports that time was barred for filing suits It is also stated by the him that the bonds are defective in form and hence suits would not be maintainable The Managing Committee treat these similar to case from 13- to 16

23 A sum of Ps 161/- is due from one Haleem Khan on account of other market contract for 1920-21

24 A sum of Ps 75/- being the arrears of pasture contract for 1920-21 is due from one Shamanna

In the above two cases viz 23 and 24 the Managing Committee recommend that the amounts may necessarily be written off

SUBMITTED - The arrears of Ps 8 878-10-0 to be written off relate to a period ranging from 1906-07 to 1920-21 In some of the cases the amounts were allowed to accumulate and lapse without timely action being taken by the officers responsible who served from time to time It is regrettable to note that it is not possible at this distance of time to take any action in the matter and much less to render an explanation

Sd/- C Hari Rao
Revenue Manager

Serial No	Description of item	Amount placed under objection	Remarks of Auditor	Reply or explanation of the administrator of the fund	Final disposal
105	Extract from the annual Audit Report relating to the Municipality for the year 1929-30 regarding Contract Labour, Casuals found by the Provincial Auditor during his periodical inspection of the Malleswaram Sub-Collector's office			To 2150/4 Memo 12-2-30 Forwarded to the Revenue Manager for investigation and early report A Narasimha Joint Comm	
	This extract was forwarded to the Revenue Manager by the Ld Office for investigation & Report and the irregularities pointed out by the Provincial Auditor. From the reports furnished by the Revenue Inspectors, which were returned herewith, it is seen that the Revenue Inspectors have briefly recorded the points of objection raised by the P/Auditor. The irregularities found by the Provincial Auditor are serious in nature & requires thorough investigation by the Revenue Officer. The results in investigation may be communicated to this office at an early date. 4 Enclosures		2 Subjects Sr. Local Auditor 10.2.30	Office Reports having up Mrs 1401/12 dy 12/2/30 Rly 12/2/30 Mrs 1401/12 dy 12/2/30 13-2-30 Mrs 1401/12 dy 17-2 P C Inspector to examine the registers & report Subd " I have examd the Registers The remarks made twice in the registers	dy 12/2/30 Rly 28 15/2/30 15/2/30

J O 308—L A D] **Objection statement in the examination of the accounts for** WD 0639—GPB—4 000—20-10-28

Serial No	Description of item	Amount placed under objection	Remarks of Auditor	Reply or explanation of the administrator of the fund	Final disposal
			the irregularities found by the auditor & the Asst Comptroller		
Voy 30-6 27 and 24-11-27		8/-	In the former instance the auditor has checked and found 21 cows - 9 calves asses 23 goats in excess than entered in the pound register	mistakes in the account as per Remarks made unless the proper explanation is taken nothing can be done to answer the objections	
			In the 2nd instance assist. comptroller himself has visited the pound and 1 goat 2 cows 1 Buffalow & twelve asses in excess than noted in the pound register		
			This shows that the pound Keepers are in habet of appropriating the money received from the owners themselves - I asked their explanation for which they are evading to give it, thinking that it might be serious - I have some papers which has to be produced after their explanation is received & the reports which has not been answered & orders are solicited in the matter the P C Inspector Take their explanations & then submit	Pmmtd Esapte 31/3/30 PC 69 Mysore No. 140/2-4-30 Mercara The above mistakes submitted to the Commissioner Mysore 1-4-30	
			Submd 2nd/Tupo; The cattle pound Keepers are not answering the point though many times called for & reported the same to the Revenue manager	Pmmtd PC 69 1/3/30	
				E OF THE I II I AL CO Crl No 19778 16 18 2/4/30 CALC F ITY TO the Senior Auditor for information	2/4/30
				1-4-30	
				2/4/30	

3464

General and Revenue Secretariat | File No 224 | App F III—2] of 192 8

Serial No

17) Submitted with reply to para 15 AS 17/6/30

18) Man pushing a file ... for consideration 21/7

19) Please put up typed copy of ... AS 11/7/30

20) Draft by U Branch for approval AS 17/7/30

21) 2nd Member) VS 7 7 30

22) ESJ 87

23) Issue VS 8 7 30

4 To The Hd Asstt Then the Presidency Bangalore ... Comptroller to Govt ... Returned the Report No L325-6 of 11 7.30 Records with certain observations the Comptroller's Report on the Audit of the Accounts of the Bangalore Municipality for the year 1926-27

OF THE OFC 3 JULY 1930

EXCTE GEN 19 JULY 1930 L. & G. BRANCH

—Contn Sheet

e 224-28-1

OFFICE OF THE COMPTROLLER TO THE GOVERNMENT
OF HIS HIGHNESS THE MAHARAJA OF MYSORE

No 426/LAD REV SEC 1 Report Bangalore dated 20th December 1928

GEN 3709
26 FEB 1929

23rd February 1929 (15)

From L S G BRANCH
S SHAMANNA Esq BA
Comptroller to the Government of
His Highness the Maharaja of Mysore
BANGALORE

To
N Rama Rao Esq , B A , B L ,
Secretary to the Government of Mysore,
Development Department, Bangaloro

Sir

I have the honour to forward herewith first Annual Audit Report on the accounts of the Bangalore City Municipality for the year 1926-27 which was prepared at my instance more or less on the lines adopted for the Municipal Corporation of Madras It will be seen from the report that there is still much scope for improvements in various directions and the General condition of the Municipal Finances requires to be placed on a good and satisfactory basis

I have the honor to be,
Sir,
Your most obedient servant,

S Shamanna
Comptroller

CV

Appendix F G—1

SUBJECT

27

15

Section nil

File No 224-26

Serial No 2

No P6535

Audit Report

Diary No of letter replied to

General and Revenue Secretariat

( )

the *192*

Date of issue 6 4 1929

Signed by Mr D R S Iyer

To be returned

To

The Presidents
Municipal
Bangalore

Sir,

I am directed to forward herewith a copy of the annual Audit Report on the accounts of the Bangalore City Municipality for the year 1926-27 which discloses certain material irregularities in the supervision and maintenance of accounts

over

st of enclosures

Copied by

Examined by

WD 0399—GPB—20 000—18 9 28

~~to the Secretary~~
and to request you
to be so good as to
take suitable action on
each of the irregularities
pointed out in the Audit
note and report the
action in taken in the
matter for the information
of Govt

Thanking you

Yr Gen Obedt Servt -

Ch
1/4 Govt

3

No G To 126/29-30
Enc one Audit report

CITY MUNICIPAL OFFICE
Bangalore City Dated 21st Dec 192

GEN 3464
2 JAN

FROM

C MACHIA Esq B A
Municipal Commissioner,
CITY MUNICIPALITY
BANGALORE CITY

Mnl 224-28
Sec 3

To

N Madhava Rao, Esq , B A ,B L ,
Chief Secretary to the Government of
His Highness the Maharaja of Mysore,
Bangalore

CHIEF SECRETARY
28 DEC 1929

Sir,

With reference to your letter No L 6635/M1 224-28-2 dated 6th April 1929, forwarding a copy of the annual audit report relating to the Bangalore City Municipality for 1926 27 for taking action on the points of objection pointed out therein, I have the honor to return herewith the report -- wherein answers have been noted down against each case of objection

2 Instructions have been issued to all the departments concerned to be more careful in future and avoid such objections

3 Under the recent rules the accounts of the City Municipality are subjected to preaudit which greatly minimize many such objections

I have the honour to be,
Sir,
Your most obedient servant,

Chachia
Municipal Commissioner

Forwarded with compliments,
P Subbaraya Chetty
Honorary President

3M

M 224-28-4

Proceedings of the Government of His Highness the Maharaja of Mysore

1 Letter No 426 L A D dated the 20th December 1928, from the Comptroller to Government, submitting his report on the Audit ~~credit~~ of the accounts of the Bangalore City Municipal Council for the year 1926-27

2 Correspondence ending with letter No G To 126/29-30 dated the 21st December 1929 from the president Bangalore City Municipal Council returning the report with his replies to the objections made therein

Order No L 325-6 Dy 11/7/30

No replies have been furnished to some of the objections raised and in most of the cases in which replies are furnished the replies given are very general in character and they do not satisfy the objections completely The Municipal Commissioner explains that instructions have been issued to all the Heads of the Departments under him to be more careful in future and avoid such objections and he adds that the system of pre-audit now in force greatly minimises the objections

2 A perusal of the objections and the replies furnished disclose that much avoidable loss of revenue accrued to the Municipal Council on account of the following ~~xxxxxx~~ among other irregularities —

(1) Not taking timely action regarding the execution of decrees and realization of decree Amounts,

(10)

(2) Failing to deposit in time in the Civil Courts the amounts awarded in Land Acquisition Cases;

(3) Entrusting heavy contracts to persons without previous enquiry into their solvency, and

(4) Incurring expenditure on construction of buildings which were pulled down within a short period.

These irregularities should be avoided in future The Municipal Commissioner is requested to report what arrangements will be made to execute decrees and realise the amounts promptly and in time Government consider that, in leasing out the right to collect fees or to remove manure collateral security may also be taken to assure the recovery of the amounts due to the Municipal Council as a general rule except in cases in which the Municipal Commissioner for special reasons to be recorded in writing considers it unnecessary to do so Contracts should be given out only after suitable enquiry about the solvency of the lessees and their sureties

3) One of the main defects brought to light is the non-maintenance of a property register including properties acquired by the Municipal Council The Comptroller considers that fruitful results are likely to follow if the incomplete register which is maintained for lands acquired

(21)

prior to 1943 is completed and compared with that maintained for the subsequent years The Municipal Commissioner is requested to submit the views of the Municipal Council in the matter for the orders of Government

4) The report also discloses that as against a sum of Rs 1 48 914 awarded in Land Acquisition cases pending in Civil Courts the parties have claimed Rs 5 77 074 and that the Municipal Council have failed to take possession of certain properties acquired and paid for long ago Government consider that further acquisitions should be limited to the funds available and that means should be devised to keep the Municipal Council and the Government informed from time to time of the exact liability of the Council in all cases still pending The Municipal Commissioner is requested to submit along with the Budget estimates of the current ~~year~~ and subsequent years a statement of liabilities of the Municipal Council on this account at the beginning of the year

5) In reply to the objection that there were numerous corrections in certain - measurement books without proper attestation and the observation that some pages therein were also torn no satisfactory reply has been furnished The Municipal Commissioner is requested to investigate the matter and take suitable action regarding the conduct of the officials concerned if he has not already done so

(22)

6) The other irregularities of a serious nature mentioned in the report are the following -

(1) Non-Verification of stock and Tools and Plant in Municipal Stores,

(2) Rush of expenditure on Public works during the last month of the year,

(3) In adequacy of action taken in the disposal of Audit notes and objection statements,

(4) Delay in settling claims of contractors,

(5) Accumulation of arrears of site value in Visveswarapuram Extension and the extension near Narasimharajendra Road and

(6) Non-verification of balances under deposits and Shanbhogs Bakipatties

7) ~~In view of~~ Govt accept the assurance of the Municipal Commissioner that necessary instructions have been issued for avoiding such irregularities ~~Government consider th that no further views~~ orders are necessary ~~in the matter.~~

7730

for General Secy to Govt

7/7/30

To

The Comptroller to Government, Returning the Report

The Municipal Commissioner
through the President
Bangalore Municipality